LABORATORY CORP OF AMERICA HOLDINGS
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
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Definitive Proxy Statement
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LABORATORY CORPORATION OF AMERICA HOLDINGS

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(3) Filing Party:
(4) Date Filed:

Laboratory Corporation of America® Holdings

358 South Main Street

Burlington, NC 27215

Telephone: 336-229-1127

April 4, 2014

Dear Shareholder:

I hope you will join us at the 2014 Annual Meeting of Shareholders of Laboratory Corporation of America Holdings. The meeting will be held at The Paramount Theater, 128 East Front Street, Burlington, NC 27215, on Wednesday, May 14, 2014 at 9:00 a.m.

At the Annual Meeting, we will ask you to elect our Board of Directors, approve, on a non-binding advisory basis, executive compensation, and ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year ending December 31, 2014. We will also review the Company's progress during the past year and discuss any other business matters properly brought before the meeting. The attached Notice of the Annual Meeting and Proxy Statement explains our voting instructions and procedures, describes the business that will be conducted at the Annual Meeting and provides information about the Company that you should consider when you vote your shares.

In reviewing the Proxy Statement you will find detailed information about the qualifications of our director nominees and why we believe they are the right people to represent you beginning on page 18. In addition, as reflected by the Summary of Executive Compensation on page 4 and the Compensation Discussion and Analysis beginning on page 22, you will see that in 2013 we continued our efforts begun in 2012 to improve the design of our executive compensation program.

Management and our Compensation Committee initiated a complete review of our executive compensation program in connection with the shareholder say-on-pay vote at our 2012 Annual Meeting. This review included direct outreach to the Company's major institutional investors (representing the ownership of approximately 79 percent of the Company's outstanding shares) in advance of setting 2013 compensation for the express purpose of better understanding and responding to shareholder concerns related to compensation. Through this engagement with our shareholders, review of emerging best practices, and analysis and review by Cook & Co., the Compensation Committee's independent compensation consultant, the Committee determined to further demonstrate its commitment to a pay for performance culture, and took the following actions in addition to others:

- changed the mix of 2013 long-term incentive awards to increase the emphasis on performance share awards relative to other forms of long-term incentives, so that performance shares represented 70 percent of the target value of long-term awards versus 40 percent in 2012;
- enhanced the focus on the utilization of relative total shareholder return as a long-term incentive performance measure, so that relative total shareholder return (TSR) reflected 35 percent of the 2013 performance share awards versus 20 percent in 2012 (relative TSR is calculated based upon the S&P Healthcare Index, a broad and objective group of healthcare companies);
- eliminated stock options as a form of long-term incentive for our 2013 long-term incentive awards; and
- froze, at my request, the base salary for the Chief Executive Officer for 2013.

These changes reflect the Compensation Committee's commitment to responding to shareholder feedback, structuring pay for performance, and incentivizing executives to achieve superior financial results and create shareholder value. We hope you recognize the value of our approach to executive compensation and will provide your endorsement when voting.

Your vote is very important to us. Whether or not you plan to attend the meeting in person, it is important that your shares are represented and voted at the meeting. I urge you to promptly vote and submit your proxy via the Internet, by phone, or, if you receive paper copies of the proxy materials by mail, by following the instructions on the proxy card or voting instruction card. If you decide to attend the Annual Meeting, you will be able to vote in person, even if you have previously submitted your proxy.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in LabCorp. We look forward to your participation during the 2014 Annual Meeting.

Sincerely,

David P. King

Chairman of the Board, President and

Chief Executive Officer

Notice of 2014 Annual Meeting of Shareholders

Wednesday, May 14, 2014

9:00 a.m., Eastern Daylight Time

The Paramount Theater, 128 East Front Street, Burlington, North Carolina 27215.

ITEMS OF BUSINESS:

1. To elect directors from among the nominees described in the attached Proxy Statement.
2. To approve, on a non-binding advisory basis, executive compensation.
3. To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the year ending December 31, 2014.
4. To consider any other business properly brought before the Annual Meeting.

RECORD DATE:

March 17, 2014. Only shareholders of record at the close of business on the record date are entitled to receive notice of, and to vote at, the Annual Meeting.

PROXY VOTING:

Your vote is important. We encourage you to mark, date, sign and return the enclosed proxy/voting instruction card or, if you prefer, to vote by telephone or by using the Internet.

April 4, 2014

By Order of the Board of Directors

F. Samuel Eberts III

Secretary

Important notice regarding the availability of proxy materials for the Annual Meeting of Shareholders to be held on May 14, 2014. Our Proxy Statement and Annual Report to Shareholders are available at www.proxyvote.com.

Table of Contents

Back to Contents

Proxy Summary

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting. Page references are supplied to help you find further information in this Proxy Statement.

Annual Meeting of Shareholders

Date and Time:	9:00 a.m. on Wednesday, May 14, 2014, Eastern Daylight Time
Place:	The Paramount Theater 128 East Front Street Burlington, North Carolina 27215
Record Date:	March 17, 2014
Voting:	Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

Voting Matters and Vote Recommendation (page 7)

The following table summarizes the proposals to be considered at the Annual Meeting and the Board's voting recommendation with respect to each proposal.

Proposals	Board Vote Recommendation
Election of Directors	FOR EACH NOMINEE
Advisory vote to approve executive compensation	FOR
Ratification of PricewaterhouseCoopers LLP as independent auditor for 2014	FOR

How to Cast Your Vote (page 8)

You can cast your votes by any of the following methods:

- Internet (www.proxyvote.com) until 11:59 p.m., Eastern Daylight Time on Tuesday, May 13, 2014;
- Telephone (1-800-690-6903) until 11:59 p.m., Eastern Daylight Time on Tuesday, May 13, 2014;
- Completing, signing and returning your proxy card or voting instruction card so that it is received before the polls close on May 14, 2014; or
- In person at the Annual Meeting –If your shares are held in the name of a broker, nominee or other intermediary, you must bring proof of ownership with you to the meeting.

Back to Contents

Board Nominees (page 18)

The following table provides summary information about each director nominee.

Name	Age	Director Since	Occupation	Independent	Other Public Boards
David P. King	57	2007	Chairman, President & CEO, Laboratory Corporation of America Holdings		1
Kerrii B. Anderson	56	2006	Former CEO, Wendy's International, Inc.	X	2
Jean-Luc Bélingard	65	1995	Chairman, bioMérieux, SA	X	2
D. Gary Gilliland	59	2014	Vice Dean & Vice President for Precision Medicine, University of Pennsylvania Perelman School of Medicine	X	0
Garheng Kong	38	2013	Managing Partner, Sofinnova HealthQuest Capital	X	2
Robert E. Mittelstaedt, Jr.	70	1996	Dean Emeritus & Professor, W. P. Carey School of Business at Arizona State University	X	2
Peter M. Neupert	58	2013	Operating Partner, Health Evolution Partners, Inc.	X	0
Adam H. Schechter	49	2013	Executive Vice President, Merck & Co., Inc.	X	0
R. Sanders Williams	65	2007	President, J. David Gladstone Institutes; Professor, University of California San Francisco	X	0

Executive Compensation (page 22)

Pay for Performance (page 26)

LabCorp's executive compensation program is designed to attract, motivate and retain executives in a highly competitive environment. Our executive compensation philosophy is to pay for performance by rewarding the achievement of specific short-term and long-term operational and strategic goals.

The Company seeks to achieve outstanding performance for our shareholders through a focus on increased revenue, adjusted earnings per share ("EPS"), earnings before interest and taxes ("EBIT"), revenue diversification, and relative total shareholder return compared to the S&P Healthcare Index group of companies. Our compensation program rewards our executives for achieving goals set for these financial measures, and achieving strategic objectives. A substantial majority of the value of the executives' 2013 compensation opportunity, including performance-based cash compensation and performance shares, is subject to Company and/or individual performance, which provides a strong incentive to drive Company performance and increase shareholder value.

2013 Executive Total Compensation Mix (page 26)

The Compensation Committee takes several factors into consideration when setting executive compensation levels, including:

- competitive data presented by its independent consultant;
- alignment of compensation with growth drivers of the Company's business; and
- feedback from shareholders.

While the Committee sets total target compensation (base salary plus the target amounts under our annual cash incentive and long-term incentive arrangements) to be competitive in relation to the median peer compensation as reflected in data provided by its independent consultant, the Committee places greater emphasis on the variable or at-risk portion of compensation.

Back to Contents

For 2013, our continued focus on pay for performance resulted in approximately 67 percent of Mr. King's 2013 total target compensation being at-risk and performance-based. For the other named executive officers, approximately 55 percent of the average of the 2013 total target compensation was at-risk and performance-based. In 2013, an additional approximately 23 percent of our CEO's total target compensation and approximately 28 percent of the average total target compensation for our other named executive officers was variable based on performance of the Company's stock price. The charts below show the mix of pay elements included in total compensation opportunities for 2013 for our Chief Executive Officer and an average for our other named executive officers.

CHIEF EXECUTIVE OFFICER MIX OF PAY ELEMENTS BASED ON TARGET AWARD OPPORTUNITIES

OTHER NAMED EXECUTIVE OFFICERS MIX OF PAY ELEMENTS BASED ON TARGET AWARD OPPORTUNITIES

Advisory Vote to Approve Executive Compensation (page 48)

We ask that our shareholders approve the advisory resolution to approve executive compensation. In addition to the pay for performance philosophy discussed above, the redesign of our executive compensation in 2012 and the further steps taken in 2013 in response to shareholder feedback, our executive compensation program contains the following features that further align the interests of our executives with those of our shareholders:

- stock ownership guidelines requiring our executive officers to own a significant amount of our stock;
- prohibition on pledging and hedging with respect to Company stock, including the use of "short sales," "puts," "calls" and similar instruments designed to offset the risk of a decline in the value of the Company's stock;
- our annual incentive cash payment plan does not provide payment without achievement of performance goals, regardless of whether the failure to achieve the performance goals was outside of management's control;
- the goals in the plan encompass strategic as well as objective financial goals and are tailored to each executive's scope of responsibility;
- there is a cap on the annual incentive cash payment opportunity even for extraordinary performance so that executives are not provided incentives to take inappropriate risks;
- no employment agreements with the Company's executive officers, meaning there are no "guaranteed" levels of base salary, incentive cash payment or other forms of compensation;
- limited perquisites, which were largely eliminated in 2011 with no tax gross-ups;
- in circumstances involving a change in control, the Master Senior Executive Severance Plan is a "double trigger" plan, requiring termination following a change in control for severance payments to become due;

- the use of a mix of long-term incentive types, including restricted stock units and performance shares, to focus our executives on long-term performance of the Company;
- a significant portion of long-term incentives (70 percent) are earned only if three-year objective performance goals are met; and
- a clawback provision under the 2012 Omnibus Incentive Plan that requires repayment of awards in the event of an accounting restatement involving certain forms of misconduct.

Auditors (page 50)

We ask that our shareholders ratify the selection of PricewaterhouseCoopers, LLP as our independent auditor for the year ending December 31, 2014. Below is summary information about PricewaterhouseCoopers' fees for services provided in fiscal years 2013 and 2012.

Year Ended December 31	2013	2012
Audit Fees	$1,430,500	$1,422,700
Audit Related Fees	$49,750	$67,500
Tax Fees	$21,954	$140,000
All Other Fees	$1,800	$1,800
TOTAL	$1,504,004	$1,632,000

Back to Contents
Proxy Statement

LabCorp is providing you with these proxy materials in connection with its 2014 Annual Meeting of Shareholders (the “Annual Meeting”). The Notice of Internet Availability of Proxy Materials (the “Notice”), this Proxy Statement and LabCorp’s 2013 annual report on Form 10-K (the “2013 Annual Report”) were first mailed to shareholders of record on or about April 4, 2014. As used in this Proxy Statement, “LabCorp,” the “Company” and “we” may refer to Laboratory Corporation of America Holdings itself, one or more of its subsidiaries, or Laboratory Corporation of America Holdings and its consolidated subsidiaries, as applicable.

GENERAL INFORMATION

2014 Annual Meeting of Shareholders

LabCorp’s 2014 Annual Meeting of Shareholders is scheduled to occur on Wednesday, May 14, 2014 at 9:00 a.m., Eastern Daylight Time. The Annual Meeting will be held at The Paramount Theater, 128 East Front Street, Burlington, North Carolina 27215. All owners of LabCorp’s common stock, par value $0.10 per share (the “Common Stock”), on March 17, 2014, the record date (the “Record Date”), are eligible to receive notice of, and to vote at, the Annual Meeting. Representatives of PricewaterhouseCoopers LLP, Independent auditor for LabCorp for the years ending December 31, 2012 and December 31, 2013, will be present at the Annual Meeting, will have the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting To Be Held on May 14, 2014

Pursuant to the “notice and access” rules adopted by the Securities and Exchange Commission (the “SEC’), LabCorp has elected to provide access to its proxy materials and the 2013 Annual Report over the Internet and sent the Notice to shareholders of record as of the Record Date on or about March 17, 2014. The Notice is not a form for voting and presents only an overview of the more complete proxy materials, which contain important information about the Annual Meeting. All shareholders may access the proxy materials on the website referred to in the Notice *(www.proxyvote.com)* and we encourage shareholders to do so prior to submitting their votes. Shareholders may request to receive a printed set of the proxy materials by following the instructions provided in the Notice.

Shareholders may also request to receive future proxy materials in printed form by mail or electronically by e-mail on an ongoing basis by following the instructions on your proxy card or at www.proxyvote.com. Choosing to receive proxy materials by e-mail will save LabCorp the cost of printing and mailing documents and will reduce the impact of LabCorp’s annual meetings on the environment. If you choose to receive future proxy materials by e-mail, you will receive an e-mail next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by e-mail will remain in effect until you terminate it.

Back to Contents

Matters Subject to a Vote of the Shareholders

Current Proposals

The following matters are subject to a vote of the shareholders at the Annual Meeting:

- Election of directors from among the nominees described in the Proxy Statement (see page 18);
- Approval, on a non-binding advisory basis, of compensation for LabCorp's executives (see page 48); and
- Ratification of the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the year ending December 31, 2014 (see page 50).

Board Recommendations

The Board of Directors of the Company (the "Board") recommends that shareholders vote as follows:

- "FOR" the election of each of the nominees for director;
- "FOR" approval, on a non-binding basis, of the compensation for LabCorp's executives; and
- "FOR" the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2014.

Other Business

The Board does not intend to bring any other business before the Annual Meeting and is not aware of any other matters to be brought before the meeting. See the section "Other Matters" on page 53 for information about presenting proposals for the 2015 Annual Meeting. Please also see the section "Identification and Evaluation of Director Candidates" on page 10 for information about shareholder nominations to the Board.

Voting Procedures and Solicitation of Proxies

Quorum and Voting Requirements

The Board is soliciting your vote at the Annual Meeting or at any later meeting should the scheduled annual meeting be adjourned or postponed for any reason. By using a proxy, which authorizes specific people to vote on your behalf, your shares can be voted whether or not you attend the Annual Meeting. At least a majority of the total number of shares of Common Stock outstanding on the Record Date must be present in person or by proxy at the Annual Meeting for a quorum to be established. At the close of business on the Record Date, there were 85,017,972 shares of Common Stock issued and outstanding.

Each share of Common Stock is entitled to one vote on each of the director nominees and one vote on each other matter that is properly presented at the Annual Meeting. In accordance with LabCorp's Amended and Restated By-Laws (the "By-Laws"), director nominees must receive a majority of the votes cast to be elected, which under the By-Laws means that the number of shares voted "FOR" a director must exceed 50 percent of the votes cast with respect to that director. The Board has adopted a policy that a director who does not receive the required vote for election as provided in the By-Laws will submit his or her resignation for consideration by the Board. The affirmative vote of a majority of shares of Common Stock represented at the Annual Meeting and entitled to vote is required for approval of the other proposals noted above. Abstentions will have no effect on the election of the directors, but will have the same effect as a vote against the other proposals scheduled for the Annual Meeting.

Back to Contents

Voting by Record Holders

If your name is registered in LabCorp's shareholder records as the owner of shares, there are four ways that you can vote your shares:

- ***Over the Internet.*** Vote at www.proxyvote.com. The Internet voting system is available 24 hours a day until 11:59 p.m. Eastern Daylight Time on Tuesday, May 13, 2014. Once you enter the Internet voting system, you can record, confirm and change your voting instructions.

- ***By telephone.*** Call 1-800-690-6903. The telephone voting system is available 24 hours a day in the United States until 11:59 p.m. Eastern Daylight Time on Tuesday, May 13, 2014. Once you enter the telephone voting system, a series of prompts will tell you how to record, confirm and change your voting instructions.

- ***By mail.*** Mark your voting instructions on the proxy card (if you requested or received one), sign and date it, and return it in the prepaid envelope provided. For your mailed proxy card to be counted, it must be received before the polls close at the Annual Meeting on Wednesday, May 14, 2014.

- ***In person.*** Attend the Annual Meeting, or send a personal representative with an appropriate proxy, in order to vote.

You may change your vote or revoke a proxy at any time prior to the Annual Meeting by:

- Entering new instructions on either the telephone or Internet voting system before 11:59 p.m. Eastern Daylight Time on Tuesday, May 13, 2014.

- Sending a new proxy card with a later date than the previously submitted proxy card. The new proxy card must be received before the polls close at the Annual Meeting on Wednesday, May 14, 2014.

- Writing to LabCorp at 358 South Main Street, Burlington, North Carolina 27215, Attention: F. Samuel Eberts III, Secretary. Your letter should contain the name in which your shares are registered, the date of the proxy you wish to revoke or change, your new voting instructions, if applicable, and your signature. Your letter must be received before the Annual Meeting begins on Wednesday, May 14, 2014.

- Attending the Annual Meeting and voting in person or sending a personal representative with an appropriate proxy.

All proxies duly executed and received by LabCorp will be voted in accordance with the instructions provided by the person executing the proxy or, in the absence of any instruction, will be voted in accordance with the Board's recommendations on each proposal. Proxies will have the discretion to vote for or against any other matters that come before the Annual Meeting which are not otherwise specified in the Notice.

Voting by Holders in Street Name

If you hold shares through a bank, broker or other custodian (referred to as shares held "in street name"), the custodian will provide you with a copy of the Proxy Statement and a voting instruction form. Brokers and other holders of record have discretionary authority to vote shares without instructions from beneficial owners only on matters considered "routine" by the New York Stock Exchange, such as the advisory vote on the selection of the independent auditors. On non-routine matters, such as the election of directors, these banks, brokers and other holders of record do not have discretion to vote uninstructed shares and thus are not "entitled to vote" on such proposals, resulting in a broker non-vote for those shares. We encourage you to provide voting instructions so that your shares can be counted in the election of directors and the other matters to be considered at the Annual Meeting.

Proxy Expenses

LabCorp will bear the expenses to prepare proxy materials and to solicit proxies for the Annual Meeting. LabCorp expects to reimburse banks, brokers, and other persons for their reasonable, out-of-pocket expenses in handling proxy materials for beneficial owners. LabCorp has also retained Morrow and Co., LLC for solicitation of holders of record as well as non-objecting beneficial owners. LabCorp paid Morrow and Co., LLC a fee of approximately $9,000 for these services, plus reimbursement of expenses.

Results of the Annual Meeting

The voting results of the Annual Meeting will be published no later than four business days after the Annual Meeting on a Form 8-K filed with the SEC.

Back to Contents

CORPORATE GOVERNANCE

Board Structure and Independence

We have a strong governance structure to ensure Board oversight and accountability to our shareholders, including:

- a strong Lead Independent Director role;
- 100 percent committee independence;
- annual elections of all directors;
- majority voting for election of directors;
- Board and committee action by unanimous written consent; and
- no shareholder rights or “poison pill” plans.

Both management and the Board participate in an active engagement program with our shareholders. In addition to our ongoing engagement with shareholders regarding operational results and business strategy, we have specially engaged with over 79 percent of our shareholders on matters related to compensation, long-term incentives, board structure and corporate governance and other matters. The purpose of the Board’s engagement program is to review compensation and corporate governance practices with shareholders, seek shareholder input on our approach to these subjects and incorporate shareholder feedback into the design of our compensation and governance programs. The results of all shareholder engagement are periodically reviewed with the entire Board.

Board Composition

LabCorp’s By-Laws provide for a Board of no fewer than one and no more than fifteen directors. There are currently twelve members of the Board; however, there are only nine nominees standing for election at the Annual Meeting. Arthur H. Rubenstein and M. Keith Weikel have reached the mandatory retirement age pursuant to our corporate governance guidelines and are retiring from the Board upon conclusion of their terms ending on May 14, 2014. After 17 years of distinguished service to the Company, Wendy E. Lane has decided not to stand for re-election to the Board of Directors. She has decided to pursue other professional interests, including other board opportunities. For more details about the nominees for directors and their biographies, please see “Proposal One: Election of Directors.” (page 18)

We have a long-standing commitment to good corporate governance practices. These practices provide an important framework within which our Board of Directors and management pursue the strategic objectives of LabCorp and ensure the Company's long-term vitality for the benefit of our shareholders. The cornerstone of our practices is an independent and qualified board of directors. All directors are elected annually by a majority of votes cast by shareholders. All Board committees are composed entirely of independent directors.

The Board carefully evaluates each incoming director candidate based on selection criteria and overall priorities for the board composition that are periodically reviewed by the Nominating and Corporate Governance Committee with input from the rest of the directors. As our directors' commitments change, the Board revisits their situations to ensure that they can continue to serve the best interests of the Company and our shareholders. We also focus on Board renewal to ensure a mix of longer tenured directors and fresh perspective in the boardroom.

We also demand high standards of ethics from our directors and management as described in our Corporate Governance Guidelines and Code of Business Conduct and Ethics. Our governance principles are available under the Corporate Governance tab of the Investor Relations page of our website at www.labcorp.com. We have included some highlights from these principles and a summary of key policies below.

Board Independence

The Board believes that a substantial majority of its members should be independent, non-employee directors. The Board has established guidelines for determining director independence that are consistent with the current listing standards of the New York Stock Exchange (the "Listing Standards"). In addition, director affiliations and transactions are regularly reviewed to ensure that there are no conflicts or relationships that might impair a director's independence from the Company, senior management and our independent registered accounting firm as defined in the Listing Standards. Other than Mr. King, all of our current Board members and all of the nominees for director qualify as "independent" as defined in the Listing Standards.

Back to Contents

Board Leadership

The Chairman of the Board leads the Board and oversees board meetings and the delivery of information necessary for the Board's informed decision making. The Chairman also serves as the principal liaison between the Board and our management. The Board determines whether the role of Chairman and the Chief Executive Officer should be separated or combined based on its judgment as to the structure that best serves the interests of the Company. Currently, the Board believes that the positions of Chairman and Chief Executive Officer should be held by the same person as this combination has served and is serving the Company well by providing unified leadership and direction.

The Board has also established the position of Lead Independent Director to be filled at the Board's discretion when the Chief Executive Officer also serves as Chairman or the Chairman otherwise is not an independent director. The Board believes that appointing a Lead Independent Director provides an efficient and effective leadership model for the Company by fostering clear accountability, effective decision-making, alignment on corporate strategy between the Board and management and a cohesive public face for the leadership of the Company. Mr. Mittelstaedt currently serves as our Lead Independent Director. The Lead Independent Director, among other tasks assigned in the Company's Corporate Governance Guidelines, presides at executive sessions of the Board, serves as a liaison between the Chairman and the other directors, and advises the Chairman with respect to the schedule, agenda and information for Board meetings. Mr. Mittelstaedt meets regularly with Mr. King to review operations and strategic issues discussed with the Board and other matters relating to the Board's oversight functions. We are also focused on Board renewal to ensure a mix of longer tenured directors and fresh perspective in the boardroom. The Board holds executive sessions without Company management and non-independent director participation. These sessions are generally held at each regularly scheduled meeting of the Board and at each special meeting upon the request of a majority of the independent directors attending the special meeting. The Company's Corporate Governance Guidelines provide that the independent Directors shall meet on a periodic basis, but no fewer than four times a year on the same day as the regularly scheduled Board meetings. In 2013, Mr. Mittelstaedt in his capacity as the Lead Independent Director chaired ten meetings of the independent and non-employee directors to discuss strategy, compensation, succession planning and other matters.

Annual Board Self-Assessment

The Board conducts a self-assessment of its performance and effectiveness on an annual basis. The purpose of the self-assessment is to provide candid feedback on Board effectiveness and track progress in key areas of Board performance. As part of the assessment, each director completes a questionnaire developed by the Nominating and Corporate Governance Committee. The collective ratings and comments of the directors from the questionnaires are compiled and presented by the Chair of the Nominating and Corporate Governance Committee to the full Board for review and discussion. In addition, each Board Committee conducts a similar self-assessment of its performance focused on the Committee's key responsibilities. Feedback from the Committees' self-assessments is reviewed in the applicable Committee and also presented to the full Board for review and discussion.

Identification and Evaluation of Director Candidates

Identification of Director Candidates

The Nominating and Corporate Governance Committee recommends a slate of directors to the Board for election by the Company's shareholders at each annual meeting of shareholders and recommends candidates to the Board to fill any vacancies. Each member of the Board identifies potential candidates and these candidates are regularly reviewed by the committee, which maintains an active list of potential Board candidates. In addition, the committee is authorized to engage professional search firms at the Company's expense. The Company retained Korn/Ferry International in 2013 to assist with identifying potential nominees to the Board. In 2013 Korn/Ferry International also assisted in the evaluation of Board candidates, including by performing appropriate due diligence on such candidates. The Nominating and Corporate Governance Committee believes it is important to maintain a Board with diverse experiences and expertise, including industry and scientific and medical experience, financial expertise, global business experience and executive leadership.

Back to Contents

Shareholders may also nominate individuals to the Board. A shareholder may submit a nomination for consideration at the 2015 Annual Meeting of Shareholders by providing certain information as set forth in the By-Laws, in writing, to the Corporate Secretary of the Company at 358 South Main Street, Burlington, NC 27215. Nominations for the 2015 Annual Meeting must be received no earlier than January 14, 2015 and no later than March 15, 2015. The By-Laws may be obtained free of charge by writing to the Company's Corporate Secretary and were included as Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on March 31, 2008.

Drs. Rubenstein and Weikel retired from the Board this year, pursuant to the Company's mandatory retirement policy for Board members. Our policy states that when a director reaches the age of 75 he or she shall not be eligible to stand for re-election at the next regularly scheduled annual shareholder meeting. After 17 years of distinguished service to the Company, Ms. Lane decided not to stand for re-election to the Board of Directors to pursue other professional interests, including opportunities to serve on other boards of directors. We are deeply grateful to Ms. Lane and Drs. Rubenstein and Weikel for their contributions to the Company.

As part of the Company's continued process of Board renewal and succession planning, Dr. Kong (page 19) was appointed to the Board on December 1, 2013 and Dr. Gilliland (page 19) was appointed to the Board on April 1, 2014. Dr. Kong was recommended by Mr. King who had collaborated with Dr. Kong with Cancer Guide, the Duke University Medical Center Board of Visitors and Sofinnova HealthQuest Capital. Dr. Gilliland was recommended by Mr. Schechter, Dr. Rubenstein and Dr. Williams. The Committee considered and interviewed several candidates for these Board positions. They selected Drs. Kong and Gilliland because of their experience and background in the health care industry.

Evaluation of Director Candidates

When evaluating prospective candidates for director, including those nominated by shareholders, the Nominating and Corporate Governance Committee conducts individual evaluations of the candidates, taking into account the criteria enumerated in the Company's Corporate Governance Guidelines (see description below). Among other things, the Committee considers whether prospective candidates have:

- personal and professional integrity;
- skills and experience to advise the Company regarding its medical, scientific, operational, strategic and governance goals;
- interest, capacity and willingness to serve the long-term interests of the Company's shareholders;
-

ability and willingness to devote the required amount of time to the Company’s affairs, including attendance at Board and Committee meetings;

- exceptional ability and judgment; and
- freedom from personal and professional relationships that would adversely affect the ability to serve the best interests of the Company and its shareholders.

The Corporate Governance Guidelines provide that the Nominating and Corporate Governance Committee review with the Board the appropriate skills and characteristics required of Board members in the context of the Company’s business needs and the current composition of the Board, including, among other characteristics, diversity. The Company believes that Board membership should reflect diversity in its broadest sense, including persons diverse in geography, gender and ethnicity. The Board seeks independent directors who represent a mix of backgrounds and experiences that will enhance the quality of the Board’s deliberations and decisions, including experience with publicly traded national, international or multinational companies, executive or financial management experience and/or achievement with distinction in their chosen fields. The Board believes that its composition reflects

Back to Contents

a balance of skills, experiences, diversity and expertise that provides strong and broad oversight, practical experience and strategic vision to the Company.

Director candidates, other than sitting directors, may be interviewed by the Chairman of the Nominating and Corporate Governance Committee, other directors, the Chief Executive Officer and the Corporate Secretary. The results of these interviews, as well as any other materials received by the Nominating and Corporate Governance Committee that it deems appropriate, are considered by the Nominating and Corporate Governance Committee in making its recommendation to the Board.

Communications with the Board

Shareholders and interested parties may communicate with the Board, individually or as a group, by submitting written communications to the appropriately addressed Board member(s), c/o Corporate Secretary, Laboratory Corporation of America Holdings, 358 South Main Street, Burlington, North Carolina 27215.

All communications with the Board will be reviewed initially by the Corporate Secretary, who will relay all communications to the appropriate director or directors unless the communication is:

- an advertisement or other commercial solicitation or communication;
- obviously frivolous or obscene;
- unduly hostile, threatening, or illegal; or
- related to trivial matters (in which case it will be delivered to the intended recipient for review at the next regularly scheduled Board meeting).

Each director has the discretion to determine whether any of the communications addressed to their attention should be presented to the full Board, to one or more of its committees or to the Company's management. Each director also has the discretion to determine whether a response to the person sending the communication is appropriate. Any response will be made through the Company's Corporate Secretary in accordance with the Company's policies and procedures and applicable law and regulations relating to the disclosure of information.

The Nominating and Corporate Governance Committee, comprised entirely of independent, non-employee directors, has reviewed and approved the foregoing procedures and is responsible for recommending changes to the procedures as necessary.

Corporate Governance Policies and Procedures

Corporate Governance Guidelines

The Board has adopted a set of Corporate Governance Guidelines that address a number of topics, including composition of the Board, director independence, annual self-assessment by the Board and its Committees, retirement of directors and succession planning. The Nominating and Corporate Governance Committee reviews the Corporate Governance Guidelines on a regular basis and any proposed additions or amendments are submitted to the full Board for its consideration. Shareholders may request a printed copy of the Corporate Governance Guidelines from the Corporate Secretary or access a copy on the Investor Relations page under the Corporate Governance tab of LabCorp's website at www.labcorp.com.

Code of Business Conduct and Ethics

The Board has also adopted a Code of Business Conduct and Ethics that is applicable to all directors, officers and employees of the Company and its subsidiaries and affiliates. The Code sets forth Company policies and expectations on a number of topics, including but not limited to, conflicts of interest, confidentiality, compliance with laws (including insider trading laws), preservation and use of Company assets, and business ethics. The Code also sets forth procedures for reporting and handling any potential violation of the Code, conflicts of interest and the appearance of any conflict of interest. The Code is regularly reviewed by management, the Audit Committee and the Quality and Compliance Committee and proposed additions or amendments are considered by the full Board. Shareholders may request a printed copy of the Code of Business Conduct and Ethics from the Corporate Secretary or access a copy under the Corporate Governance tab of the Investor Relations page on LabCorp's website at www.labcorp.com. In addition, any waivers for directors, officers and employees of the Company or amendments to the Code will also be posted on LabCorp's website.

Back to Contents

Board's Role in Risk Management

Enterprise Risk Management

The Board believes that effective enterprise risk management is an integral part of Board and Committee deliberations throughout the year. The Audit Committee annually reviews the Company's enterprise risk management process and the comprehensive assessment of key financial, operational and regulatory risks identified by management, as well as mitigating practices. The Audit Committee then discusses the processes and results with the full Board. In addition, the Board discusses risks related to the Company's strategic plan and other topics as appropriate. The Board receives regular reports directly from officers responsible for management of operations, financial reporting, legal and regulatory compliance, information technology and medical and scientific standard of care. Each Committee conducts its own risk assessment and risk management activities throughout the year, some of which are highlighted in the "Board Committees and Their Functions" section below (page 14), and reports its conclusions to the Board. The Board also encourages management to promote a corporate culture that integrates risk management into the Company's corporate strategy and day-to-day business operations in a way that is consistent with the Company's targeted risk profile. Through these processes, the Board oversees a system to identify, assess and address material risks to the Company on a timely basis.

Compensation Risk Assessment

The Compensation Committee regularly reviews the Company's compensation policies and procedures to ensure that those practices are consistent with emerging best practices, are aligned with the shareholders' interests and support the Company's objective to attract and retain skilled and talented employees. Throughout the year, management reviews compensation policies, practices and changes in applicable regulations with the Compensation Committee, including the impact of the Company's pay practices on the Company's risk profile. The Compensation Committee also works directly with its independent compensation consultant, Cook & Co., to evaluate the Company's compensation philosophy and objectives to identify potential risks in the Company's pay practices. After reviewing the Compensation Committee's findings, the Board has concluded that our compensation policies and practices are aligned with the interests of shareholders, appropriately reward pay for performance and do not create risks that are reasonably likely to have a material adverse effect on the Company.

Related Party Transactions

In accordance with the Company's Audit Committee charter, the Audit Committee is responsible for reviewing and approving the terms and conditions of all related party transactions. The Company's Directors and key employees, including all members of senior management, complete annual reports disclosing or certifying the absence of any related party transactions. The Audit Committee reviews all potential material transactions involving related parties (as such transactions are defined by Item 404(a) of Regulation S-K as promulgated by the SEC) before allowing the

Company to enter into any such transaction. The Company has not adopted a static set of criteria to be applied in evaluating a related party transaction and instead tailors the scope of its review to the particular circumstances presented by each transaction to ensure that any such transaction is thoroughly reviewed and evaluated.

Back to Contents

Board Committees and Their Functions

The Board has four standing committees that are each composed entirely of independent directors. The Nominating and Corporate Governance Committee reviews committee and committee chair assignments annually, and recommends committee rosters to the full Board after considering factors such as the directors' business and corporate governance experience, their preferences, criteria for specific committee service, the directors' other responsibilities and scheduling flexibility. Assignments ensure that each committee has an appropriate mix of tenure and experience. Committee membership shown below is as of March 17, 2014:

	Audit Committee	**Compensation Committee**	**Nominating and Corporate Governance Committee**	**Quality and Compliance Committee**
Kerrii B. Anderson				
Jean-Luc Bélingard				
D. Gary Gilliland*				
David P. King				
Garheng Kong*				
Wendy E. Lane				
Robert E. Mittelstaedt, Jr.				
Peter M. Neupert				
Arthur H. Rubenstein				
Adam H. Schechter				
M. Keith Weikel				
R. Sanders Williams				

Chairperson
Member
Financial Expert

* *Because Dr. Kong and Dr. Gilliland joined the Board in December 2013, and April 2014, respectively, they have not yet been assigned to any committees. They are expected to receive their committee assignments following the 2014 Annual Meeting.*

Charters for each of the committees are available in print to any shareholder upon request submitted to the Corporate Secretary and are also available under the Corporate Governance tab of the Investor Relations page of the Company's website at www.labcorp.com. Each committee reviews its respective Charter on an annual basis.

Audit Committee

Members: Ms. Anderson (Committee Chair, Financial Expert), Ms. Lane (Financial Expert), Mr. Mittelstaedt, Dr. Rubenstein, Mr. Schechter, Dr. Williams.

The Audit Committee is responsible for assisting the Board with the following functions:

- the selection, appointment, compensation and oversight of the work of any independent registered public accounting firm employed by the Company;
- reviewing the qualifications and independence of the Company's independent registered public accounting firm;
- assisting the Board with oversight of the integrity of the financial statements of the Company;
- ensuring that the Company complies with legal and regulatory requirements as they impact the Company's financial statements or reporting systems;
- overseeing the Company's internal audit functions and internal controls;
- overseeing the Company's management of financial risks; and
- producing an Audit Committee report as required by the SEC to be included in the Company's annual proxy statement.

The Audit Committee constitutes a separately-designated standing audit committee established in accordance with section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Board of Directors has determined that Ms. Anderson, Ms. Lane and Mr. Schechter are "audit committee financial experts" as defined in the SEC's rules. The Board of Directors has also determined that Ms. Anderson and Ms. Lane have the "accounting or related financial management expertise" required by the Listing Standards.

Back to Contents

Compensation Committee

Members: Dr. Weikel (Committee Chair), Ms. Anderson, Mr. Bélingard, Mr. Neupert, Mr. Schechter.

The Compensation Committee is responsible for assisting the Board with the following functions:

- reviewing the Company's compensation and benefit policies, procedures and objectives, including any perquisites paid to the CEO and other executive officers and directors;
- performing an annual review of and making recommendations to the full Board regarding the goals and objectives for CEO compensation, evaluating the CEO's performance in light of those goals and objectives, and reviewing the compensation paid to the CEO and other executive officers;
- reviewing and evaluating the compensation paid to the Company's directors;
- monitoring the evolving executive compensation landscape and considering shareholder feedback;
- reviewing and overseeing the Company's incentive compensation and equity plans;
- evaluating the Company's pay practices in relation to the Company's risk profile; and
- producing a Compensation Committee report as required by the SEC to be included in the Company's annual proxy statement.

The Compensation Committee has delegated to Mr. King the task of designing annual incentive plans for the other executive officers using targets established by and input provided by the Compensation Committee. For a discussion of Mr. King's role in determining executive compensation, see the "Compensation Discussion and Analysis" section below (page 22).

The Compensation Committee has the sole authority to retain and terminate outside compensation consultants to evaluate executive officer and director compensation. The Compensation Committee has retained Cook & Co. as an outside independent compensation consultant since August 2004. Cook & Co. does no other work for the Company or its management except as directed by the Chairman of the Compensation Committee. See the "Compensation Discussion and Analysis" section below (page 22) for more information about Cook & Co.'s role in recommending the amount or form of executive compensation.

Quality and Compliance Committee

Members: Dr. Rubenstein (Committee Chair), Mr. Bélingard, Dr. Weikel, Dr. Williams.

The Quality and Compliance Committee is responsible for assisting the Board in carrying out its oversight responsibility with respect to quality and compliance issues. This oversight responsibility includes ensuring that management adopts and implements policies and procedures that require the Company's employees to act in accordance with high ethical standards, deliver high quality services and comply with health care and other legal requirements. The Committee meets regularly with the Chief Medical Officer and the Chief Legal Officer to review the Company's quality management systems, discuss emerging scientific and medical issues and evaluate the Company's programs for compliance with applicable legal and regulatory requirements.

Nominating and Corporate Governance Committee

Members: Mr. Mittelstaedt (Committee Chair), Ms. Lane, Mr. Neupert.

The Nominating and Corporate Governance Committee is responsible for assisting the Board with the following functions:

- identifying individuals qualified to become Board members, consistent with criteria approved by the Board;
- recommending to the Board the director nominees for the annual meeting of shareholders and the director nominees for each Board Committee;
- reviewing and reassessing, on an annual basis, the adequacy of the corporate governance principles of the Company and recommending any proposed changes to the Board for approval; and
- leading the Board in its annual self-assessment.

Board and Committee Meetings

During 2013, the Board held fourteen meetings and acted three times by unanimous written consent. The Audit Committee held eight meetings, the Compensation Committee held six meetings, the Nominating and Corporate Governance Committee held four meetings, and the Quality and Compliance Committee held three meetings. During 2013, each of the directors attended no less than 87 percent of the total meetings of the Board and the Committees of which he or she was a member, except for Dr. Coles and Mr. Mac Mahon, who each attended less than 75 percent of the total meetings of the Board and the Committees of which they were members and only served until the 2013 Annual Meeting of Shareholders. Members of the Board are encouraged to attend the Annual Meeting of Shareholders and all of the directors attended the 2013 Annual Meeting of Shareholders, except for Dr. Coles and Mr. Mac Mahon who were not nominated for election at that meeting.

Back to Contents

DIRECTOR COMPENSATION

The Company's director compensation is designed to attract and retain highly qualified, independent directors to represent shareholders on the Board and act in their best interest. The Compensation Committee, which consists solely of independent directors, has primary responsibility for setting our director compensation program. Cook & Co., the Committee's independent compensation consultant, assists the Compensation Committee in evaluating our director compensation program.

Elements of Non-Employee Director Compensation

Director compensation is designed to align director compensation with emerging best practices and reflect the Board's belief that director compensation should not depend upon the number of meetings held but rather on the ongoing work and role of the directors throughout the year. For 2013, elements of non-employee director compensation included the following:

- ***Annual Retainer.*** An annual retainer in the amount of $90,000 (or prorated portion thereof, as applicable) paid to each non-employee director in quarterly installments.
- ***Committee Chair Retainer.*** The Chair of the Audit Committee received $15,000, paid on a quarterly basis. The Chair of the Compensation Committee received $12,500, paid on a quarterly basis. The Chairs of the Nominating and Corporate Governance Committee and the Quality and Compliance Committee each received $10,000, paid on a quarterly basis.
- ***Lead Independent Director Retainer.*** The Lead Independent Director received $20,000, paid on a quarterly basis.
- ***Equity Compensation.*** Each non-employee director who was then serving on the Board received a grant of restricted stock units having a value of approximately $150,000 on May 8, 2013, subject to the requirements of the Company's Director Stock Ownership Program (as further described below). The number of restricted stock units granted is determined by using the closing price of the Company's Common Stock on the grant date ($94.13). The restricted stock units vest fully on the first anniversary of the grant date. Prior to the annual grants to directors in 2013, equity compensation consisted of restricted stock with a three-year vesting schedule. On May 8, 2013, the Board of Directors determined to change this schedule to more closely align with market practice.

In addition, the Company has a policy of granting equity awards to each new director that joins the Board. Accordingly, Mr. Neupert, Mr. Schechter and Dr. Kong each received restricted stock awards when they began their directorships during 2013. Mr. Neupert was granted 575 shares of restricted stock on January 2, 2013 and Mr. Schechter was granted 141 shares of restricted stock on April 1, 2013 which in each case reflected a prorated amount of the value of the annual award granted to directors at the 2012 Annual Meeting. The number of shares of restricted stock granted to Mr. Neupert and Mr. Schechter was determined by using the average share price for the 10 days preceding the grant date ($86.96 and $88.73), respectively, prorated to reflect the director's length of service between the grant date and the 2013 Annual Meeting. The restricted stock awards vest in three equal allotments over three years beginning on the first anniversary of the grant date. Dr. Kong received 624 restricted stock units when he began his directorship on December 2, 2013 which reflects a prorated amount of the value of the annual award granted to directors at the 2013 Annual Meeting. The number of shares of restricted stock units granted to Dr. Kong was determined by using the closing price of the Company's Common Stock on the grant date ($100.10). The restricted stock units vest fully on the first anniversary of the grant date.

- ***Reimbursement of Expenses.*** Each director is reimbursed for his or her reasonable out-of-pocket expenses incurred in connection with travel to and from, and attendance at, meetings of the Board or its Committees, as well as for related activities such as director education courses and materials consistent with our policies concerning reimbursement for travel, entertainment and other expenses.

Director Stock Ownership Program

Maintaining a significant personal level of stock ownership ensures that each director is financially aligned with the interests of our shareholders. The Board believes that by holding an equity position in the Company, directors demonstrate their commitment to and belief in the long-term success of the Company. The Company's Director Stock Ownership Program requires that each director must acquire and maintain a level of ownership of Common Stock equivalent to a number of shares having a value of $300,000 as of the date he or she became subject to the stock ownership program. Until the ownership requirement is met, a director is required to hold 50 percent of any shares of Common Stock acquired upon the lapse of restrictions on any stock grant and upon the exercise of stock options, net of any shares utilized to pay for the exercise price of the option and any tax withholding, if applicable. If a director fails to meet or show progress towards satisfying these requirements, the Compensation Committee may reduce future equity grants or other incentive compensation to that director. Each director is required to maintain this level of stock ownership for his or her entire tenure of service on the Board. Each member of our Board of Directors is currently in compliance with the applicable holding requirement with the exception of Messrs. Neupert and Schechter and Dr. Kong who joined the Board in 2013.

Back to Contents

Summary of 2013 Compensation to Non-Employee Directors

The compensation paid by the Company to the non-employee directors for 2013 is set forth in the table below. Information on compensation for Mr. King is set forth in the “Executive Compensation” section below (page 37).

Name	**Fees Earned or Paid in Cash ($)**[1]	**Restricted Stock Unit Awards ($)**[2]	**Total ($)**
Kerrii B. Anderson	$105,000	$149,949	$254,949
Jean-Luc Bélingard	$90,000	$149,949	$239,949
N. Anthony Coles	$31,896	$-	$31,896
Garheng Kong	$7,500	$62,462	$69,962
Wendy E. Lane	$90,000	$149,949	$239,949
Thomas P. Mac Mahon	$31,896	$-	$31,896
Robert E. Mittelstaedt, Jr.	$120,000	$149,949	$269,949
Peter M. Neupert	$90,000	$200,308	$290,308
Arthur H. Rubenstein	$100,000	$149,949	$249,949
Adam H. Schechter	$67,500	$162,728	$230,228
M. Keith Weikel	$102,500	$149,949	$252,449
R. Sanders Williams	$90,000	$149,949	$239,949

(1) *Includes annual retainer payments of $90,000 for each director who served on the Board for a full year and the following prorated retainer payments: each of Dr. Coles and Mr. Mac Mahon received retainer payments of $31,896 for their service on the Board until the 2013 annual meeting; Mr. Schechter received a retainer payment of $67,500 for his service on the Board beginning on April 1, 2013; and Dr. Kong received a retainer payment of $7,500 for his service on the Board beginning on December 1, 2013. Also includes Committee Chair retainer payments of $15,000 to Ms. Anderson, $10,000 to Mr. Mittelstaedt, $10,000 to Dr. Rubenstein and $12,500 to Dr. Weikel. Mr. Mittelstaedt also received $20,000 for serving as Lead Independent Director.*

(2) *Amounts represent the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (“FASB ASC Topic 718”) for restricted stock units and restricted stock awarded to each director in 2013. For a discussion of the assumptions made in these valuations, see Note 14 to the Company’s audited financial statements included within its Annual Report on Form 10-K for the year ended December 31, 2013. The aggregate number of restricted stock units held by each director as of December 31, 2013 was 1,593, except with respect to Dr. Kong, who held 624 units. The only directors to receive awards of restricted stock in 2013 were Mr. Neupert, who was granted 575 shares on January 2, 2013, and Mr. Schechter, who was granted 141 shares on April 1, 2013.*

The aggregate number of vested and exercisable stock options held by each director as of December 31, 2013 was as follows: Ms. Anderson—16,121; Mr. Bélingard—19,647; Dr. Coles—0; Dr. Kong—0; Ms. Lane—16,002; Mr. Mac Mahon— Mittelstaedt—19,647; Mr. Neupert—0; Dr. Rubenstein—19,219; Mr. Schechter—0; Dr. Weikel—19,647; and Dr. Williams— The aggregate number of unvested stock options held by each director as of December 31, 2013 was 867 for each of Ms. Anderson, Mr. Bélingard, Ms. Lane, Mr. Mittelstaedt, Dr. Rubenstein, Dr. Weikel and Dr. Williams, and 0 for each of Dr. Coles, Dr. Kong, Mr. Mac Mahon, Mr. Neupert and Mr. Schechter.

Back to Contents
Proposal One Election of Directors

The Nominating and Corporate Governance Committee and the full Board have nominated each of David P. King, Kerrii B. Anderson, Jean-Luc Bélingard, D. Gary Gilliland, Garheng Kong, Robert E. Mittelstaedt, Jr., Peter M. Neupert, Adam H. Schechter and R. Sanders Williams for election at the Annual Meeting to hold office until the next annual meeting of shareholders or until his or her earlier resignation or removal. All nominees have consented to serve, and the Board does not know of any reason why any nominee would be unable to serve. If a nominee becomes unavailable or unable to serve before the Annual Meeting, the Board can either reduce its size or designate a substitute nominee. If the Board designates a substitute, your proxy will be voted for the substitute nominee.

Information about each nominee is included below, including details about the nominee's qualifications, skills and experiences that supported the determination by the Nominating and Corporate Governance Committee and the Board that the person should serve as a director of LabCorp.

Nominees to the Board of Directors

David P. King

Chairman and Chief Executive Officer

David P. King (57) has served as Chairman of the Board, President, and Chief Executive Officer of the Company since May 6, 2009; prior to that date he served as a director, President and Chief Executive Officer of the Company since January 1, 2007. Mr. King served as Executive Vice President and Chief Operating Officer from December 2005 to January 2007, as Executive Vice President of Strategic Planning and Corporate Development from January 2004 to December 2005 and was hired in September 2001 as Senior Vice President, General Counsel and Chief Compliance Officer. Prior to joining the Company, he was a partner with Hogan & Hartson LLP (now Hogan Lovells US LLP) in Baltimore, Maryland from 1992 to 2001. Mr. King was appointed to the board of directors of Cardinal Health, Inc. in 2011 and serves on its Human Resources and Compensation Committee. He also sits on the boards of directors of the Seattle Science Foundation, PATH, Inc., and the American Clinical Laboratory Association, and on the board of trustees of Durham Academy. Mr. King has over 10 years' experience with the Company in a variety of roles of increasing responsibility in corporate operations, strategic planning, and corporate administration. Mr. King has a deep understanding of the clinical laboratory industry, business strategy, sales and marketing and executive management of the Company and its operations.

Kerrii B. Anderson

Director

Kerrii B. Anderson (56) has served as a director of the Company since May 17, 2006. Ms. Anderson was Chief Executive Officer of Wendy's International, Inc., a restaurant operating and franchising company, from April 2006 until September 2008, when the company was merged with Triarc. Ms. Anderson served as Executive Vice President and Chief Financial Officer of Wendy's International from 2000 to 2006. Prior to this position, she was Chief Financial Officer, Senior Vice President of M/I Schottenstein Homes, Inc. from 1987 to 2000. Ms. Anderson has been the Chairwoman of the Board of Chiquita Brands International Inc. since October 2012, and is the Chairwoman of the Nominating and Corporate Governance Committee and a member of the Audit Committee. She is also a director and a member of the Compensation Committee and Audit Committee of Worthington Industries, Inc. Ms. Anderson serves on the financial committee of Columbus Foundation, on the Board of Trustees of Ohio Health and on the Board of Trustees for Elon University, and she chairs the Audit Committee for Elon. She also was a director of PF Chang's China Bistro, Inc. from 2010 until June 2012 and Wendy's International from 2006 until September 30, 2008. She has a strong record of leadership in operations and strategy. Ms. Anderson is also an audit committee financial expert as a result of her experience as CEO and CFO of Wendy's International, Inc. Through her service on other public company boards, Ms. Anderson brings extensive financial, corporate governance and executive compensation experience to the Company's Board.

Back to Contents

Jean-Luc Bélingard

Director

Jean-Luc Bélingard (65) has served as a director of the Company since April 28, 1995. Since 2011, Mr. Bélingard has been Chairman of bioMérieux, the worldwide leader of the IVD microbiology segment. Mr. Bélingard also served as Chief Executive Officer of bioMérieux from July 2011 to April 2014. Mr. Bélingard retired as Chairman and Chief Executive Officer of Ipsen SA, a diversified French health care holding company, on November 22, 2010. He had served in that position since 2001. Prior to this position, Mr. Bélingard was Chief Executive Officer from 1999 to 2001 of bioMérieux-Pierre Fabre, a diversified French health care holding company, where his responsibilities included the management of that company’s worldwide pharmaceutical and cosmetic business. Mr. Bélingard is also a director of Stallergenes (France). Mr. Bélingard was also a director of Celera Corporation, a former division of Applera Corporation, Norwalk, Connecticut from May 2008 to May 2010. Mr. Bélingard served as a director and member of the Audit Committee of Nicox (France) from December 2002 to August 2010. Mr. Bélingard was a director of Applera Corporation, Norwalk, Connecticut from 1993 to June 2008. From 1990 to 1999, Mr. Bélingard was CEO of Roche Diagnostics and a member of the Hoffman La Roche group Executive Committee. Mr. Belingard’s long tenure at Roche, Ipsen and BioMérieux demonstrates his valuable business, leadership and management experience, including leading a large organization with global operations. He brings a strong strategic and operational background to the Company’s Board. He also brings an important international perspective to the Board’s deliberations. Mr. Bélingard has extensive corporate governance experience through his service on other public company boards.

D. Gary Gilliland, M.D., Ph.D.

Director

D. Gary Gilliland (59) has served as a director of the Company since April 1, 2014. Since October 2013, Dr. Gilliland has been the inaugural Vice Dean and Vice President for Precision Medicine at the University of Pennsylvania Perelman School of Medicine, where he is responsible for synthesizing research and clinical-care initiatives across all medical disciplines including cancer, heart and vascular medicine, neurosciences, genetics and pathology, in order to create a national model for the delivery of precise, personalized medicine. From 2009 until he joined Penn Medicine, Dr. Gilliland was Senior Vice President of Merck Research Laboratories and Oncology Franchise Head. At Merck, Dr. Gilliland oversaw first-in-human studies, proof-of-concept trials, and Phase II/III registration trials, and managed all preclinical and clinical oncology licensing activities. Prior to joining Merck, Dr. Gilliland was a member of the faculty at Harvard Medical School for nearly 20 years, where he served as Professor of Medicine and a Professor of Stem Cell and Regenerative Biology. He was also an Investigator of the Howard Hughes Medical Institute from 1996 to 2009, Director of the Leukemia Program at the Dana-Farber/Harvard Cancer Center from 2002 to 2009, and Director of the Cancer Stem Cell Program of the Harvard Stem Cell Institute from 2004 to 2009. Dr. Gilliland has a Ph.D. in Microbiology from UCLA and an M.D. from UCSF. He is boarded in Internal Medicine and had his Fellowship training in Hematology and Oncology, all at Harvard Medicine School. Dr. Gilliland’s expertise in cancer genetics and his experience working within medical communities ranging from academia to the pharmaceutical industry position him to provide a practical and balanced perspective to the Board.

Garheng Kong, M.D., Ph.D.

Director

Dr. Kong (38) has served as a director of the Company since December 1, 2013. Dr. Kong is the Managing Partner of Sofinnova HealthQuest Capital, a healthcare-focused investment firm, and was previously a general partner at Sofinnova Ventures, a position he held from 2010 to 2013. Before joining Sofinnova, Dr. Kong was a general partner from 2000 to 2010 at Intersouth Partners, a venture capital firm where he was a founding investor or board member for various life science ventures, several of which were acquired by large pharmaceutical companies. Prior to his investing career, Dr. Kong spent time at GlaxoSmithKline, McKinsey & Company, and TherOx. Dr. Kong has served on the board of directors of Histogenics Corporation, a private biotechnology company where he also serves as the Chairman of the board, since 2012. Since November 2008, Dr. Kong has been the Chairman of the board of Cempra Pharmaceuticals, where he has been a board member since September 2006. Dr. Kong has been on the board of Alimera Sciences since October 2012 and sits on the Duke University Medical Center Board of Visitors. Dr. Kong holds an M.D., Ph.D. in Biomedical Engineering and an M.B.A. from Duke University. Dr. Kong brings to the Board knowledge and experience in both the healthcare and finance fields based on his medical background and his work in life science-related venture capital.

Robert E. Mittelstaedt, Jr.

Lead Independent Director

Robert E. Mittelstaedt, Jr. (70) has served as a director of the Company since November 1996. Mr. Mittelstaedt is Dean Emeritus of the W. P. Carey School of Business at Arizona State University where he served as Dean and Professor of Management from 2004 to 2013. Prior to June 30, 2004, he was Vice Dean, Executive Education of The Wharton School, University of Pennsylvania. Mr. Mittelstaedt had served with The Wharton School since 1973, with the exception of the period from 1985 to 1989 when he founded, served as Chief Executive Officer, and subsequently sold Intellego, Inc., a company engaged in practice management, systems development, and service bureau billing operations in the medical industry. Mr. Mittelstaedt serves as a director and Compensation Committee chair of W. P. Carey, Inc. and also serves as a director and Compensation Committee chair of Innovative Solutions & Support, Inc. Mr. Mittelstaedt brings to the Board experience as a recognized expert in business strategy, corporate governance and executive compensation issues. Mr. Mittelstaedt serves as the Board’s Lead Independent Director and brings a deep understanding of the role of the Board and its oversight of corporate governance and business strategy.

Back to Contents

Peter M. Neupert

Director

Peter M. Neupert (57) has served as a director of the Company since January 2013. Mr. Neupert has been an Operating Partner at Health Evolution Partners, a health only, middle market private equity firm, since January 2012. Prior to that, Mr. Neupert served as Corporate Vice President of the Microsoft Health Solutions Group from its formation in 2005 to January 2012. Mr. Neupert served on the President’s Information Technology Advisory Committee (PITAC), co-chairing the Health Information Technology subcommittee and helping to drive the “Revolutionizing Health Care Through Information Technology” report, published in June 2004. Mr. Neupert served as the founding President and Chief Executive Officer of drugstore.com from 1998 to 2001 and as Chairman of the Board of Directors through September 2004. Mr. Neupert is also a director of Clinithink Ltd, Freedom Innovations LLC and Adaptive Biotechnologies, Inc. He served on the board of directors of QSI from August 2013 to January 2014. He serves as a trustee for the Fred Hutchinson Cancer Research Center and was an active member of the Institute of Medicine’s Roundtable on Value & Science-Driven Healthcare from 2007-2011. Mr. Neupert brings to the Board experience as a recognized expert in health information technology and perspective on how to grow shareholder value leveraging business strategies with technology. His prior experience as a public company CEO and board member of both private and public companies brings practical insight to the Board with respect to business strategy, corporate governance and emerging trends in healthcare. Mr. Neupert’s current position with Health Evolution Partners enables him to provide the Board with an understanding of businesses and services adjacent to the diagnostic testing industry.

Adam H. Schechter

Director

Adam H. Schechter (49) has served as a director of the Company since April 1, 2013. Mr. Schechter is an Executive Vice President of Merck & Co., Inc. and has been since 2010 President of Merck’s Global Human Health Division, which includes the company’s worldwide pharmaceutical and vaccine businesses. He is a member of Merck’s executive committee and pharmaceutical and vaccines operating committee. Prior to becoming President, Global Human Health, Mr. Schechter served as President, Global Pharmaceutical Business from 2007 to 2010. Mr. Schechter’s extensive experience at Merck includes global and U.S.-focused leadership roles spanning sales, marketing, and managed markets, as well as business and product development. Mr. Schechter serves on the board of directors for the European Federation of Pharmaceutical Industries and Associations. He is a Board Member for Water.org and an Executive Board Member for the National Alliance for Hispanic Health. Mr. Schechter brings to the Board global business acumen and general management experience, as well as demonstrated success in leading large, innovation-focused organizations. Mr. Schechter’s deep knowledge of the pharmaceutical and healthcare industries and extensive experience collaborating with many of its key stakeholders to achieve patient-focused outcomes brings practical insight to the Board with respect to business strategies to service the changing healthcare environment.

R. Sanders Williams, M.D.

Director

R. Sanders Williams, M.D. (65) has served as a director of the Company since May 16, 2007. Dr. Williams is President of The J. David Gladstone Institutes and Professor of Medicine at the University of California San Francisco. Prior to this appointment, Dr. Williams served Duke University between 2001 and 2010 as Dean of the School of Medicine, Senior Vice Chancellor, Senior Advisor for International Strategy, and founding Dean of the Duke-NUS Graduate Medical School Singapore. He has served previously as President of the Association of University Cardiologists, Chairman of the Research Committee of the American Heart Association, on the editorial boards of leading biomedical journals, on the Advisory Committee to the Director of the National Institutes of Health and on the Board of External Advisors of the National Heart, Lung and Blood Institute. Dr. Williams was a director of Bristol-Meyers Squibb Company from 2006 until May 2013. Dr. Williams is a member of the Institute of Medicine of the National Academy of Sciences, and a Fellow of the American Association for the Advancement of Science. His experience as a physician, biomedical scientist, and executive leader brings important perspective to his service to the Company as a director.

The Board unanimously recommends that shareholders vote "FOR" the election of the nominees listed above.

Back to Contents

EXECUTIVE OFFICERS

Information regarding each of LabCorp's executive officers and their relevant business experience is summarized below.

David P. King

President and Chief Executive Officer

See "Proposal One: Election of Directors" (page 18) for information about Mr. King.

James T. Boyle, Jr.

Executive Vice President, Chief Operating Officer

Mr. Boyle (57) has served as Executive Vice President, Chief Operating Officer since October 2009. He is responsible for the day-to-day supervision of all operations and sales of the Company. Prior to October 2009, Mr. Boyle was Senior Vice President, Managed Care since May 2006. In December of 2008, Mr. Boyle also assumed operating responsibility for the Company's Occupational Testing/Employer Group Services in his then current role of Senior Vice President of Managed Care/OTS. Mr. Boyle previously held the position of Vice President of Managed Care from August 2004 to May 2006. Prior to that Mr. Boyle was the Director of Litigation and Assistant General Counsel from 1999 to 2004. Prior to joining the Company in 1999, Mr. Boyle was engaged in the private practice of law for more than 15 years, specializing in litigation. He currently serves as a member of the Seton Hall University Board of Regents.

William B. Hayes

Executive Vice President, Chief Financial Officer and Treasurer

Mr. Hayes (48) has served as Executive Vice President, Chief Financial Officer and Treasurer since June 2005. Mr. Hayes served as Senior Vice President, Investor Relations from July 2004 to June 2005. Prior to this date, Mr. Hayes was Senior Vice President, Finance since 2000. Mr. Hayes is responsible for the day-to-day supervision of the finance and billing functions of the Company. Prior to joining the Company in 1996, Mr. Hayes was in the audit department at KPMG LLP for 9 years. He is currently on the board of directors of the Alamance Regional Medical Center and the Canterbury School in Greensboro, North Carolina. As previously disclosed by the Company on October 18, 2013, Mr. Hayes has announced his intention to retire effective in 2014. Mr. Hayes will continue in his capacity as Chief

Financial Officer until June 16, 2014, at which time Glenn A. Eisenberg will begin serving as Executive Vice President and Chief Financial Officer.

Mark E. Brecher, M.D.

Senior Vice President, Chief Medical Officer

Dr. Brecher (58) joined the Company in March 2009 as Senior Vice President, Chief Medical Officer. Prior to joining the Company, Dr. Brecher served as Vice Chair of the Department of Pathology and Laboratory Medicine at the McLendon Clinical Laboratories, University of North Carolina Hospitals from July 2006 to February 2009. From July 2003 to July 2006, Dr. Brecher was the Acting Director of the Laboratory Information Systems and the Director of Clinical Pathology. Dr. Brecher is a member of the editorial board of Transfusion and is an associate editor of the Journal of Clinical Apheresis. He is a past chair of the Department of Health and Human Services Advisory Committee on Blood Safety and Availability and a past president of the American Society for Apheresis.

F. Samuel Eberts III

Senior Vice President, Chief Legal Officer and Secretary

Mr. Eberts (54) has served as Senior Vice President, Chief Legal Officer, Secretary and Chief Compliance Officer since January 1, 2009. Prior to that time he served as Senior Vice President, General Counsel since August 2004. Prior to joining the Company, he was Vice President, Secretary, and General Counsel of Stepan Company. Before joining Stepan Company, he was Assistant General Counsel for Cardinal Health, Inc. from 1998 to 2001 and Associate General Counsel for Allegiance Healthcare Corporation (Allegiance Healthcare Corporation was purchased by Cardinal Health in 1998). Prior to that time, he was Chief Counsel of the Biotech North America division of Baxter International Inc.

Lance V. Berberian

Senior Vice President, Chief Information Officer

Mr. Berberian (52) joined the Company in February 2014 as Senior Vice President, Chief Information Officer. Prior to joining the Company, he served as Chief Information Officer at IDEXX Laboratories, a global leader in diagnostics and IT solutions for animal health and food and water quality, from May 2007 to January 2014. Mr. Berberian served as Chief Information Officer and President of Kellstrom Aerospace Defense, a fully integrated supply chain firm, from January 2000 to April 2007. He also served as Chief Information Officer of Interim Healthcare from September 1997 to January 2000. He has an extensive track record of strategic IT vision, leading edge innovation and laboratory industry experience.

Back to Contents

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the Company's executive compensation program and decisions for 2013. This section details the compensation framework applied by the Compensation Committee and, in particular, our compensation philosophy, elements of executive pay, compensation decisions and the link between executive pay and performance. The named executive officers of the Company ("named executive officers") for 2013 are:

- David P. King, Chief Executive Officer
- James T. Boyle, Executive Vice President, Chief Operating Officer
- Mark E. Brecher, Senior Vice President, Chief Medical Officer
- F. Samuel Eberts III, Senior Vice President, Chief Legal Officer
- William B. Hayes, Executive Vice President, Chief Financial Officer

Executive Summary

Company Performance and Industry Highlights

The Compensation Committee considers the Company's financial and business performance in making compensation decisions and believes that realized compensation should be tied to actual performance. The Company delivered solid performance in 2013, made possible by disciplined execution of its five-pillar strategy to grow the business and increase shareholder value. These five strategic pillars are:

- Deploy capital to investments that enhance its business and return capital to shareholders;
- Enhance IT capabilities to improve physician and patient experience;
- Continue to improve efficiency to offer the most compelling value in laboratory services;

- Scientific innovation at appropriate pricing; and
- Develop knowledge services.

Despite persistent economic headwinds and a healthcare landscape undergoing fundamental transformation, the Company achieved strong operational and financial performance across a broad range of measures. The Company generated solid growth in volumes and revenues in 2013, organically and through strategic acquisitions, increasing revenue 2.4 percent to more than $5.8 billion. The Company also increased Adjusted Earnings Per Share Excluding Amortization in 2013 to $6.95 (Adjusted Earnings Per Share Excluding Amortization is a non-GAAP measure calculated by excluding the effects of the impact of restructuring and other special charges ($0.15 per share) and amortization expense ($0.55 per share) from the GAAP diluted earnings per share of $6.25). These results are especially noteworthy in the clinical laboratory testing market which, unlike other healthcare companies (including those companies in the peer group), experienced significant government payment reductions and unexpected reimbursement issues related to new molecular pathology codes in 2013, which negatively impacted the Company's incentive plan outcomes. These government payment reductions significantly impacted the Company's financial results and reduced compensation to our executives under both the long-term and short-term incentive compensation plans.

Back to Contents

Revenue and Adjusted EPS Excluding Amortization Growth: 2008 – 2013[(1)(2)(3)]

(1) Excluding the $0.44 per diluted share impact of restructuring and other special charges and the $0.31 per diluted share impact from amortization in 2008; excluding the ($0.09) per diluted share impact of restructuring and other special charges and the $0.35 per diluted share impact from amortization in 2009; excluding the $0.26 per diluted share impact of restructuring and other special charges and the $0.43 per diluted share impact from amortization in 2010; excluding the $0.72 per diluted share impact of restructuring and other special charges, the $0.03 per diluted share impact from a loss on the divestiture of assets and the $0.51 per diluted share impact from amortization in 2011; excluding the $0.29 per diluted share impact of restructuring and other special charges and the $0.54 per diluted share impact from amortization in 2012; and excluding the $0.15 per diluted share impact of restructuring and other special charges and the $0.55 per diluted share impact from amortization in 2013

(2) EPS, as presented represents adjusted, non-GAAP financial measures. Diluted EPS, as reported in the Company's Annual Report were: $4.16 in 2008; $4.98 in 2009; $5.29 in 2010; $5.11 in 2011; $5.99 in 2012; and $6.25 in 2013

(3) 2008 revenue includes a $7.5 million adjustment relating to certain historic overpayments made by Medicare for claims submitted by a subsidiary of the Company

In 2013, we also extended our long record of generating strong operating and free cash flow, which we used to make strategic acquisitions, invest in the business, and return value to shareholders through the repurchase of $1 billion of LabCorp Common Stock.

We are proud of our 2013 performance, which extended a strong growth record that has been sustained through several years of economic uncertainty. We believe that our continued focus on a disciplined execution of our five pillar strategy will lead to sustainable, superior results for the Company and our shareholders. While we continue to focus on and reward our executives for building long-term, sustainable success, we also balance our approach to pay-for-performance to reward consistent superior performance every year. Notwithstanding the strong operational achievements of our Company and our executives, we did not achieve certain of the performance targets that we set for 2013. Therefore, because we are committed to a pay-for-performance culture, the compensation for the Company's named executive officers was reduced pursuant to the annual cash incentive plan ("MIB Plan") and the long-term incentive compensation plan, as discussed below.

Shareholder Engagement and Evolution of Compensation Plan

Because we are committed to designing compensation plans to incentivize our leaders and align with our strategy, the key value drivers of our business and the expectations of our shareholders, we maintain ongoing engagement with our shareholders for their views and feedback on our compensation and corporate governance programs. This ongoing engagement includes members of management, the Chair of our Compensation Committee, the Chair of our Audit Committee and our Lead Independent Director. Our shareholder discussions not only include the exchange and analysis of objective information such as key metric performance and compensation but also cover a broader range of informal topics. For example, our shareholders are given the opportunity to ask members of management for their views on compensation, incentives and alignment. Prior to setting executive compensation for 2013, members of the Board were engaged in a wide ranging discussion on these topics with an opportunity to exchange views on compensation and strategic alignment with our shareholders. The results of these meetings were shared with the entire Board and helped guide the Compensation Committee in developing the structure of and metrics used in the Company’s executive compensation program for 2013. The review included direct outreach to the Company’s major institutional investors (representing the ownership of approximately 79 percent of the Company’s outstanding shares) for the express purpose

Back to Contents

of better understanding and responding to shareholder concerns related to compensation. The feedback from our shareholders was supportive regarding overall compensation philosophy, evolution of the executive compensation program over time and compensation best practices.

Through this engagement with our shareholders, coupled with review of emerging best practices and analysis by Cook & Co., the Committee's independent compensation consultant, the Committee has continued to develop a pay for performance culture and align long-term incentive compensation with our shareholder's expectations. As part of the realignment of long-term incentive compensation, the Compensation Committee eliminated the use of stock options in 2013. Long-term incentive compensation opportunities in 2013 consisted of 70 percent performance shares based on the overall target value of long-term awards with performance targets of revenue (50 percent weighting), relative total shareholder return (35 percent weighting) and Earnings Before Interest and Taxes ("EBIT") (15 percent weighting). We remain committed to our executive compensation program and its emphasis on long-term alignment with our shareholders and in 2014 we continued to use a 70/30 split between performance awards and restricted stock units.

**Measured as the Company's TSR relative to the TSR of those companies listed in the S&P Healthcare Index.*

The following chart provides an overview of the compensation and pay practices and key actions taken in 2012 and 2013 to enhance the alignment of the interests of our executives and our shareholders:

Component	**Brief Description**	**Purpose**	**Key 2012 Actions**	**Key 2013 Actions**
Base Salary	• Regular, fixed compensation • Reviewed annually • Generally targeted at competitive median	• Element of fixed compensation and part of competitive total compensation package • Reflects each named executive officer's individual role and responsibilities	• No increase in CEO or named executive officer salaries	• No increase in CEO salary • 2% increase in salaries of other named executive officers, (subject to select increase adjustments later in 2013 to more closely target the competitive median)
Annual Cash Incentive (MIB Plan)	• Annual variable cash compensation • Target based on a percentage of salary - Together with salary generally provides cash compensation	• Pay for annual performance • Promote achievement of annual corporate, group and individual goals that contribute to creation of long-term shareholder value	• Payouts to named executives were below target (62.3% -69.6% of target) based on financial and strategic performance results for 2012 not achieving targeted levels	• Continue to align targets with Company's near-term and long-term strategic objectives • Year-over-year decline in payouts by approximately 25% to the CEO and by 8% as to the average payouts

opportunity that is at or below competitive median • Annual performance goals based on a scorecard combination of financial, strategic and individual metrics	• Year-over-year decline in payouts by approximately 48% to the CEO and by 50% as to the average payouts of the other named executive officers	of the other named executive officers

Back to Contents

Component	**Brief Description**	**Purpose**	**Key 2012 Actions**	**Key 2013 Actions**
Long-Term Incentives	• Annual grants using a portfolio of equity awards • Performance shares become earned based on three-year performance • Restricted stock awards subject to a three-year vesting schedule • Target award opportunities based on competitive market data and Company philosophy to emphasize long-term compensation opportunities	• Pay for longer-term performance • Alignment with long-term interests of shareholders • Vesting features encourage retention	• Changed mix of performance measures for three year (2012-2014) performance period for performance shares, which comprised 40% of long-term incentive -20% of performance share award tied to relative total shareholder return (relative TSR is calculated based upon the S&P Healthcare Index, a broad and objective group of healthcare companies), which was a new measure for 2012 -40% of award tied to Adjusted Operating Income; and -40% of award tied to sales • Stock options reduced to 35% of total long-term incentives • CEO stock option award reduced by approximately 17%	• Stock options eliminated • Performance shares increased to 70% of total long-term incentives - 50% of award tied to revenue growth - 35% of award tied to relative total shareholder return - 15% of award tied to EBIT • Restricted stock units (30%) with three-year vesting schedule
Perquisites	• Limited perquisites • No tax gross-ups	• Part of a competitive total compensation package	• No change in 2012	• No change in 2013
Change in Control Severance Protection	• Pre- and post-change in control protection against a “qualifying termination” • Cash severance based on a multiple of salary and average prior incentive cash payments, capped at 3X for CEO for post-change in control termination (2X for pre-change in control termination) • Double trigger • No tax gross-ups	• Part of a competitive total compensation package • Encourages management economic neutrality in considering potential transactions	• No change in 2012	• No change in 2013

Sound Pay Practices	• No employment contracts • No guaranteed bonuses • No personal use of corporate aircraft at LabCorp's expense • No excessive severance or change in control provisions • No payment of dividends on stock options or unvested performance awards • No stock option repricing without shareholder approval • No tax gross-ups on perquisites or severance/change in control payments	• Enhance the transparency of our pay program and align with the Company's long standing commitment to good governance practices	• To demonstrate our commitment to sound corporate governance practices stock ownership guidelines were increased - CEO – 6 times base salary - EVPs – 3 times base salary - Other senior management, equal to base salary	• Stock ownership requirement equal to base salary extended to all senior management
Retirement	• Tax-qualified 401(k) plan • Frozen tax-qualified Cash Balance Plan and Pension Equalization Plan (PEP) • Deferred compensation plan (no company contributions)	• Part of a competitive total compensation package	• No change in 2012	• No change in 2013

Back to Contents

At the Company's 2013 Annual Meeting, over 92 percent of the votes cast at that meeting on the annual advisory vote to approve executive compensation were cast in favor of approval (a "Say-on-Pay proposal").

For 2014, the Committee continued its approach to executive compensation, keeping the base salary for Mr. King flat as compared to 2013 and maintaining a target pay mix for long-term incentives for Mr. King consisting of 70 percent of performance shares, 30 percent of restricted stock units and no stock options. The Committee concluded that this was consistent with its commitment to responding to shareholder feedback, structuring pay for performance, and incenting executives to achieve superior financial results and create shareholder value.

CEO Compensation Overview and Alignment with Performance

LabCorp's executive compensation program is designed to attract, motivate and retain executives in a highly competitive environment. Our executive compensation philosophy is to pay for performance by rewarding the achievement of specific short-term and long-term operational and strategic goals. We believe our executive compensation program avoids unnecessary risk taking and aligns the interests of our shareholders with the performance of our executives. This program reflects our strong commitment to a results-driven compensation program.

In support of the Company's compensation philosophy, our executive compensation program embodies the following principles:

- performance-based variable compensation should comprise a significant part of total compensation, with the percentage of variable or at-risk compensation highest for our CEO;
- the size and the realizable values of incentive awards provided to executive officers should vary significantly with performance achievements; an emphasis on stock-based compensation aligns the long-term interests of executive officers and shareholders;
- compensation opportunities for executive officers must be evaluated against those offered by companies that are in similar industries and are similar in size and scope of operations; and
- differences in executive compensation within the Company should reflect varying levels of responsibility and/or performance.

Taking into account these factors, the Committee has structured our executive compensation program to align compensation with performance using three key elements of compensation: (i) annual salary; (ii) annual cash incentive pay; and (iii) long-term incentive awards. While the Committee sets total target compensation for these three elements to be competitive in relation to the median peer compensation as reflected in data provided by its independent consultant, the Committee places greater emphasis on the variable or at-risk portion of compensation. Approximately 75 percent of our CEO's target compensation is based on long-term performance and is delivered in equity. We believe the significant portion of total compensation, delivered in equity, tightly aligns Mr. King's performance with the Company's objectives and our shareholder's expectations. Throughout our engagement with shareholders, this approach was consistently endorsed, as was the fact that compensation for our other named executive officers is similarly aligned, with approximately 41 percent of target compensation based on long-term performance and delivered in equity and 69 percent fully variable or at-risk based on stock price and meeting performance goals. In 2013, an additional approximately 23 percent of our CEO's total target compensation and approximately 28 percent of the average total target compensation for our other named executive officers was variable based on performance of the Company's stock price. The charts below show the mix of pay elements included in total compensation opportunities for 2013 for our Chief Executive Officer and an average for our other named executive officers:

CHIEF EXECUTIVE OFFICER MIX OF PAY ELEMENTS
BASED ON TARGET AWARD OPPORTUNITIES

OTHER NAMED EXECUTIVE OFFICERS MIX OF PAY
ELEMENTS BASED ON TARGET AWARD OPPORTUNITIES

The Company seeks to achieve outstanding performance for our shareholders through a focus on increased revenue, adjusted EPS, EBIT, and relative total shareholder return (relative TSR is calculated based upon the S&P Healthcare Index, a broad and objective group of healthcare companies). Our current compensation program rewards our executives for achieving goals set for these financial measures, as well as provides them a direct incentive to both preserve shareholder value and increase the Company's stock price. A substantial majority of the executives' 2013 compensation opportunity was in the form of variable and performance-based awards, including performance-based cash compensation under our annual incentive cash plan ("MIB Plan"), restricted stock units and performance shares, all of which provide

Back to Contents

our executives a strong incentive to drive Company performance and increase shareholder value. Incentive compensation is guided by the following principles:

- the MIB Plan only provides payments if performance goals are met or exceeded;
- payments under the MIB Plan, if any, are based on a mix of Company goals common to all executives and strategic and individual goals for each executive in line with the executive's major responsibilities, so that incentive cash payments relate to both Company performance as well as individual performance, and performance goals are tied to specific financial and operational priorities of the Company each year;
- by granting performance shares on overlapping cycles, the Company is able to make adjustments to new cycles of multi-year performance goals each year, as appropriate; and
- a significant portion of long-term incentives are earned only if three-year objective performance goals are met.

The Committee believes this program reflects our strong commitment to a results-driven compensation program. And, the amounts earned in 2013 by our named executive officers reflect this approach. For example, most of the Company's financial goals under the MIB Plan were achieved above threshold but slightly below target, with the exception of revenue diversification, which did not achieve threshold (see page 30). As a result of the level of performance on those goals and after taking into account individual goals, despite our strong performance, each named executive officer received MIB Plan payouts below target, ranging from between 52 percent to 62 percent of the target. Our named executive officers were paid under the MIB Plan up to 25 percent less in 2013 than they received under the MIB Plan in the year prior, and up to 48 percent less than the MIB Plan payouts in 2011. The chart below shows the reduction in the total payout of the annual non-equity incentive compensation for Mr. King year over year from 2011 to 2013.

Strong Compensation Practices

Consistent with the Company's focus on enhancing the alignment of the interests of our executive officers and those of our shareholders, the Company's executive compensation program has the following features:

- all executives must meet significant stock ownership requirements that increase with their level of responsibility within the Company; in 2013 the stock ownership requirements for the Chief Executive Officer and Executive Vice Presidents were six times base salary and three times base salary, respectively;

- we prohibit pledging and hedging with respect to Company stock, including the use of “short sales,” “puts,” “calls” and similar instruments designed to offset the risk of a decline in the value of the Company’s stock;
- we do not provide any tax gross-ups to executives, including on any severance/change in control payments;
- there is a cap on the annual incentive cash payment opportunity even for extraordinary performance so that executives are not provided incentives to take inappropriate risks;
- there are no employment agreements with our executives;
- the Master Senior Executive Severance Plan, which provides financial protection for our executives in circumstances involving a change in control, is a “double trigger” plan, requiring termination following a change in control for severance payouts;
- a clawback provision under the 2012 Omnibus Incentive Plan that requires repayment of awards in the event of an accounting restatement involving certain forms of misconduct;
- no guaranteed bonuses;
- no personal use of corporate aircraft at LabCorp’s expense;
- no excessive severance or change in control provisions; and
- no payment of dividends on stock options or unvested performance awards.

The Role of the Compensation Committee

The Compensation Committee is responsible for the development, oversight and implementation of the executive compensation plan. The Committee works throughout the year reviewing compensation trends, evaluating emerging best practices and considering changes to the executive compensation program that will provide our senior management with an incentive to achieve superior financial results for the Company and align pay with performance. In determining whether changes to the executive compensation program are needed, the committee considers the goals and strategic objectives of the Company, including changes to the strategy that should be reflected in the incentive structure of

Back to Contents

the management team. The Committee also considers the results of prior advisory votes on compensation and direct shareholder feedback in determining changes to the executive compensation program. The Committee approves changes to each component of executive officer compensation, including merit increases in base salary, annual incentive awards and long-term equity incentive awards.

Compensation Decisions for Mr. King

With regard to compensation decisions for Mr. King, our Chief Executive Officer, the Compensation Committee considers results of his performance assessment, including input from all independent non-employee directors, as well as the Company’s financial and business performance. In an executive session, the chair of the Compensation Committee leads the independent non-employee directors through a review of Mr. King’s annual accomplishments, a review and approval of compensation actions recommended by the Compensation Committee, and a review of performance objectives for the next year. The Board (except for Mr. King) reviews and approves the Committee’s decisions with respect to Mr. King’s compensation.

The Role of Management

Annually, Mr. King is invited to provide input on the Compensation Committee’s executive compensation decisions, as well as propose awards for the other executive officers, based on his assessment of past and expected individual performance and contribution.

The Role of the Independent Consultant

Cook & Co., the Committee’s independent compensation consultant, plays an integral role in supporting the Compensation Committee in the compensation-setting process, and one of its representatives attends most of the Compensation Committee meetings to serve as a resource for the Committee. Cook & Co. provides insight and advice related to the Company’s compensation plans and policies, and provides recommendations based on compensation trends and regulatory/compliance developments. In order to encourage independent review and discussion of executive compensation matters, the Compensation Committee and the Committee chair may request meetings with the independent compensation consultant in executive session without management present. The Compensation Committee has sole authority to retain or replace the independent compensation consultant. In order to maintain consultant independence, Compensation Committee pre-approval is required for all services performed by the independent compensation consultant. In 2013, the Committee assessed the independence of Cook & Co. considering, among other factors, the independence factors established by the New York Stock Exchange. Specifically, Cook & Co. provides no services to the Company or its management other than the services provided to the Compensation Committee in its capacity as the Committee’s independent adviser on executive compensation matters. Cook & Co. affirmed that no member of the consulting team provided advice to the Company’s Compensation Committee or has any business or personal relationship with the CEO or any member of the Company’s Compensation Committee. It also affirmed that neither Cook & Co. nor any member of the consulting team serving the Company's Compensation Committee owns any stock or equity derivatives of the Company. In addition, the Committee evaluated the work of Cook & Co. and determined that its work raised no conflict of interest, including under applicable New York Stock Exchange factors.

Use of Peer Group

In evaluating executive compensation, the Compensation Committee considers both absolute performance of the Company and performance relative to an established peer group, as well as the pay practices of that peer group. With input from Cook & Co., the comparative peer group is selected from public companies in the healthcare services industry that are closest to LabCorp in terms of scope of services and are of a similar size in terms of revenue, profitability, cash flow, market capitalization and number of employees. Beginning in 2012, the Committee also considered the peer group used by our most direct competitors in determining our peer group. The companies included in the 2013 comparative peer group were:

- Agilent Technologies, Inc.
- Allergan, Inc.
- Baxter International Inc.
- Becton, Dickinson and Company
- Boston Scientific Corporation
- Covidien plc
- DaVita HealthCare Partners Inc.
- Henry Schein, Inc.
- Life Technologies Corporation
- Omnicare, Inc.
- Owens & Minor, Inc.
- Quest Diagnostics Incorporated
- St. Jude Medical, Inc.
- Stryker Corporation
- Thermo Fisher Scientific Inc.
- Zimmer Holdings, Inc.

Back to Contents

Each year, with the support of Cook & Co., the Committee reviews the peer group to ensure it remains valid for benchmarking purposes and makes adjustments as needed to reflect changes in business strategy and peer circumstances (e.g., acquisitions). For 2013, Express Scripts was removed from the peer group. The Committee believes that the merger of Express Scripts and Medco materially changed the company's size such that it is no longer an appropriate comparator.

Annually, Cook & Co. prepares a review of competitive total compensation for the Company's executives versus total compensation for similar positions at our peer group companies and utilizes national survey data for executives for whom there is insufficient comparable information in the peer company proxy statements. The competitive review confirmed that, for 2013, the Company continues to meet its compensation objectives, with a mix of lower cash compensation and somewhat higher long-term incentives than its peers. We have historically emphasized higher long-term incentives to more closely align our executives' interests with the long-term performance of the Company.

2013 Actions

Our executive compensation program focuses on three key elements of compensation: (i) annual salary; (ii) annual cash incentive pay; and (iii) long-term incentive awards. The following chart shows how these elements were used by the Committee in 2013.

In addition to the three main elements of our compensation program, we also provide limited perquisites, severance benefits, and post-retirement benefits as part of a standard, competitive compensation package.

Base Salary

While the Compensation Committee generally targets salary levels of the named executive officers at or below the median of the peer group, it retains the flexibility to adjust individual compensation to take into account variations in the individual's job experience and responsibility, as reviewed and recommended to the Committee by Mr. King. Annual changes in base salaries are determined using several factors, including the peer group's practices, our performance, the individual's performance and increases generally provided to our employees.

For 2013, at Mr. King's request, he did not receive an increase in base salary. Each of the other NEOs received a two percent increase in base salary for 2013. The decision to increase the base salaries for these NEOs was made after taking into account the factors above, the fact that the increases were consistent with increases given to all other employees in the Company, and the fact that there had been no increases to base salary for these officers in 2012. Subsequent to the establishment of the base salaries for 2013, the Compensation Committee determined in June 2013 that it was appropriate to increase the base salary for Mr. Boyle (by an additional $100,000) and, in October 2013 the Committee determined that it was appropriate to increase the base salary for Mr. Eberts (by an additional $75,000) to reflect the meaningful contributions each makes to the Company. In addition, after consulting with Cook & Co., the Committee determined that these base salary increases were also appropriate because the base salaries for Mr. Boyle and Mr. Eberts were below the competitive range.

Back to Contents

Annual Cash Incentive Pay (MIB Plan)

Our MIB Plan is designed to compensate our executives for achieving in-year goals that further the Company's strategy and create shareholder value. Target MIB Plan award amounts for 2013 for the named executive officers ranged from 50 percent to 150 percent of base salary, depending on the role of the executive.

Company financial goals may be achieved by the named executive officers at a threshold, target or superior level. If actual performance measures fall between either the threshold and target levels or the target and superior levels, the payouts are prorated accordingly. If the threshold level of performance for a particular goal is not achieved, the payout for that goal is zero. Individual and strategic goals are measured based on a yes/no outcome (i.e., the goal was either achieved, triggering a 100 percent target payment, or was not achieved, resulting in no payment).

Company Financial Goals. For 2013 each of our named executive officers shared three Company financial goals based on the following three measures:

- Revenue (20 percent weighting);
- Adjusted EPS(1) (30 percent weighting); and
- Revenue Diversification(2) (30 to 40 percent weighting).

The Revenue and Adjusted EPS performance measures were selected as performance measures because they are top-line and bottom-line measures used by the Company and the investment community to evaluate our operating performance. Revenue diversification was included because of the Company's focus in 2013 on evaluating opportunities for diversification of the Company's revenues.

In addition to the shared Company financial goals described above, the performance measures used for the remaining 10 percent to 20 percent of each named executive officer's target amount were directed to specific areas of focus for each named executive officer for 2013, tying individual performance to strategic goals that were intended to contribute to our overall success. The individual and strategic goals applicable to each named executive officer under the MIB Plan for 2013 are discussed below under the heading "Summary of MIB Plan Payments by Executive."

Setting and Evaluating Performance Targets. The threshold, target and superior goals for revenue, adjusted EPS, and achievement of revenue diversification measures were based on various outcomes considered by the Compensation Committee, with the target amounts most closely approximating the Company's operating budget approved by the Board. The achievement of performance measures that are not financially-based was determined by the Committee in its discretion, after discussion with Mr. King. Performance levels are determined annually by the Compensation Committee based upon its collective experience and reasoned business judgment. The Compensation Committee determines the performance measures, performance targets and allocation for Mr. King. In turn, the Committee has delegated to Mr. King the responsibility of determining the incentive plans for each of the other named executive officers, using substantially the same Company targets established by the Compensation Committee, subject to the approval of the Compensation Committee.

Results for 2013 Company Financial Goals. The 2013 goals that were common for each of the named executive officers and the result for the year for each goal were:

Goal	**Threshold**	**Target**	**Superior**	**2013 Result**	**% of Target**
Revenue	$5,553 billion	$5,821 billion	$6,089 billion	$5,808 billion	99.8%
Adjusted EPS(1)	$6.85	$7.05	$7.15	$6.95	98.6%
Revenue Diversification(2)	$150 million	$200 million	$300 million	Below threshold – no payout for this goal	-

(1) Excluding the impact of restructuring and other special charges and amortization expense from the GAAP diluted earnings per share amount

(2) Calculated as run rate revenue from (i) new products, such as BeaconLBS® platforms and decision support and analytics capabilities, (ii) existing hospital channel and/or (iii) acquisitions that are not traditional clinical laboratories

Back to Contents

Mr. King

As Chief Executive Officer, Mr. King had individual goals for 2013 that were focused on the importance of executing key elements of our strategic plan. As a result of the achievements reflected in the table below, Mr. King's earned annual incentive cash payment was approximately 52 percent of his 2013 target goal.

2013 TARGET AND ACTUAL PAYOUT

Base Salary	Target % of Base Salary	Total Opportunity at Target	Actual Payout % of Target	Actual Payout
$1,013,000	150%	$1,519,500	52%	$790,594

2013 RESULTS

	Allocation by Goal		Incentive Cash Payment	Opportunity by Goal by Level of Achievement		
	%	Goal	Threshold	Target	Superior	Actual Payout
Company Financial Goals:(1)	20%	Revenue	$151,950	$303,900	$455,850	$296,756
	30%	Adjusted EPS	$227,925	$455,850	$911,700	$341,888
	40%	Revenue Diversification	$303,900	$607,800	$911,700	$-
Individual/Strategic Goals:(2)	10%	Succession Planning	$-	$151,950	$-	$151,950
TOTAL	100%		$683,775	$1,519,500	$2,431,200	$790,594

(1) *The 2013 results for the Company Financial Goals are set forth in the table above under the heading "Results for 2013 Company Financial Goals."*

(2) *The Compensation Committee determined that this goal was met and approved a payout at target based on the review and discussion of the succession plan.*

Mr. Boyle

As Chief Operating Officer, Mr. Boyle had individual goals for 2013 that were based on operational matters in line with his major responsibilities. As a result of the achievements reflected in the table below, Mr. Boyle's earned annual incentive cash payment was approximately 62 percent of his 2013 target goal.

2013 TARGET AND ACTUAL PAYOUT

Base Salary	Target % of Base Salary	Total Opportunity at Target	Actual Payout % of Target	Actual Payout
$522,240	125%	$652,800	62%	$404,931

2013 RESULTS

	Allocation by Goal		Incentive Cash Payment	Opportunity by Goal by Level of Achievement		
	%	Goal	Threshold	Target	Superior	Actual Payout
Company Financial Goals:[1]	20%	Revenue	$65,280	$130,560	$195,840	$127,491
	30%	Adjusted EPS	$97,920	$195,840	$391,680	$146,880
	30%	Revenue Diversification	$97,920	$195,840	$293,760	$-
Individual/Strategic Goals:	10%	Transition of integrated genetics and integrated oncology businesses into Divisions[2]	$-	$65,280	$-	$65,280
	10%	Development of ACO (accountable care organization) team and strategy[3]	$-	$65,280		$65,280
TOTAL	100%		$261,120	$652,800	$1,011,840	$404,931

(1) *The 2013 results for the Company Financial Goals are set forth in the table above under the heading "Results for 2013 Company Financial Goals."*

(2) *The Compensation Committee determined that this goal was met and approved a payout at target based on the successful transition of these businesses into the divisions.*

(3) *The Compensation Committee determined that this goal was met and approved a payout at target based on the successful development of an ACO team and strategy.*

Back to Contents

Dr. Brecher

As Chief Medical Officer, Dr. Brecher had individual goals for 2013 that were based on the completion of the CKD (chronic kidney disease) retrospective study and implementation of the Up to Date in Beacon, in line with his major responsibilities. As a result of the achievements reflected in the table below, Dr. Brecher earned an annual incentive cash payment that was approximately 62 percent of his target goal.

2013 TARGET AND ACTUAL PAYOUT

Base Salary	Target % of Base Salary	Total Opportunity at Target	Actual Payout % of Target	Actual Payout
$346,392	50%	$173,196	62%	$107,435

2013 RESULTS

	Allocation by Goal		Incentive Cash Payment	Opportunity by Goal by Level of Achievement		
	%	Goal	Threshold	Target	Superior	Actual Payout
Company Financial Goals:(1)	20%	Revenue	$17,320	$34,639	$51,959	$33,825
	30%	Adjusted EPS	$25,980	$51,959	$103,918	$38,970
	30%	Revenue Diversification	$25,980	$51,959	$77,939	$-
Individual/Strategic Goals:	10%	Complete CKD retrospective study(2)	$-	$17,320	$-	$17,320
	10%	Implementation of the Update to Date in Beacon(3)	$-	17,320	$-	$17,320
TOTAL	100%		$69,279	$173,197	$268,456	$107,435

(1) *The 2013 results for the Company Financial Goals are set forth in the table above under the heading "Results for 2013 Company Financial Goals."*

(2) *The Compensation Committee determined that this goal was met and approved a payout at target for this goal based on its review of the successful completion of the CKD retrospective study.*

(3) *The Compensation Committee determined that this goal was met and approved a payout at target for this goal based on its review of the successful implementation of the Up to Date in Beacon.*

Mr. Eberts

As Chief Legal Officer, Mr. Eberts had individual goals for 2013 that were based on legal and regulatory matters in line with his major responsibilities. As a result of the achievements reflected in the table below, Mr. Eberts' earned an annual incentive cash payment that was approximately 62 percent of his 2013 target goal.

2013 TARGET AND ACTUAL PAYOUT

Base Salary	Target % of Base Salary	Total Opportunity at Target	Actual Payout % of Target	Actual Payout
$353,936	50%	$176,968	62%	$109,774

2012 RESULTS

	Allocation by Goal		Incentive Cash Payment	Opportunity by Goal by Level of Achievement		
	%	Goal	Threshold	Target	Superior	Actual Payout
Company Financial Goals:[1]	20%	Revenue	$17,697	$35,394	$53,091	$34,562
	30%	Adjusted EPS	$26,545	$53,090	$106,180	$39,818
	30%	Revenue Diversification	$26,545	$53,090	$79,635	$-
Individual/Strategic Goals:	10%	Develop a Rapid Response Team and Public Relations Program[2]	$-	$17,697	$-	$17,697
	10%	Strengthen Compliance Department[3]	$-	$17,697	$-	$17,697
TOTAL	100%		$70,787	$176,968	$274,300	$109,774

(1) The 2013 results for the Company Financial Goals are set forth in the table above under the heading "Results for 2013 Company Financial Goals."

(2) The Compensation Committee determined that this goal was met and approved a payout at target based on its review of the successful development of a Rapid Response Team and Public Relations Program.

(3) The Compensation Committee determined that this goal was met and approved a payout at target based on successful expansion and strengthening of the Compliance Department, including expansion of the Company's Compliance program to non-US based locations and responsiveness to compliance issues in the marketplace.